

(2) Commissions received by any DoD Component activity from a commercial vending firm that provides vending machines on DoD-controlled property.

(3) "Costs incurred" include costs of goods, including reasonable service and maintenance costs in accordance with customary business practices of commercial vending concerns, repair, cleaning, depreciation, supervisory and administrative personnel, normal accounting, and accounting for income-sharing.

*Vendor.* A blind licensee who is operating a vending facility on DoD-controlled property.

#### § 260.4 Policy.

It is DoD policy that a DoD Component having accountability for real property shall extend priority on such property to the blind when implementing the Randolph-Sheppard Act, as set out in the following paragraphs:

(a) The blind shall be given priority in the establishment and operation of vending facilities.

(b) The blind shall be given priority in the award of contracts to operate cafeterias.

(c) In conjunction with acquisition or substantial alteration or renovation of a building, satisfactory sites shall be provided for operation of blind vending facilities.

(d) Specified income from vending machines operated on DoD-controlled property by a DoD Component either directly or by contract shall be given to State licensing agencies.

#### § 260.5 Responsibilities.

(a) The Principal Deputy Under Secretary of Defense for Personnel and Readiness (PDUSD(P&R)), under the Under Secretary of Defense for Personnel and Readiness, shall establish policies and procedures and monitor the Vending Facility Program.

(b) The Heads of the DoD Components, in monitoring their respective programs, shall:

(1) Approve or disapprove State licensing agency applications for permits and the provision of satisfactory sites;

(2) Issue policies and procedures to designate and establish responsibilities of the on-site official;

(3) Suspend or terminate a permit to operate a vending facility after consulting with the PDUSD(P&R) where circumstances warrant.

(4) Ensure appropriate real property outgrants are accomplished in accordance with DoDI 4165.70, "Real Property Management,"<sup>1</sup> and consistent with the Randolph-Sheppard Act (20 U.S.C. 107) and the implementing regulations (34 CFR part 395).

(5) The On-Site Official shall be the point of contact with State licensing agencies and shall:

(i) Consult with State licensing agencies on articles and services to be provided;

(ii) Establish appropriate limitations on the location or operation of a vending facility upon finding that the granting of a priority under the Act would adversely affect the interests of the United States. The On-Site Official shall justify this limitation in writing through the Head of the DoD Component concerned and the PDUSD(P&R) to the Secretary of Education for determination of whether the limitation is warranted.

(iii) Notify State licensing agencies of acquisition or substantial alteration or renovation of property;

(iv) Negotiate with State licensing agencies on other matters and adhere to guidance provided in § 260.6 of this part.

#### § 260.6 Procedures.

The DoD Components in control of the maintenance, operation, and protection of Federal property shall take necessary action to ensure the requirements set forth in this Section are implemented for these properties.

(a) The blind have a priority to operate vending facilities on DoD property, whenever feasible, in light of appropriate space and potential patronage. Implementation of this priority is not required when:

(1) The number of people using the property is or will be insufficient to support a vending facility; or

(2) The Secretary of Education determines that the limitation on the placement or operation of a vending facility

<sup>1</sup>Available from <http://www.dtic.mil/whs/directives/corres/html/416570.htm>.